



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6

1445 ROSS AVENUE, SUITE 1200
DALLAS, TX 75202-2733

NM

APR 06 2001

Settling Party Name
Address

RE: RSR Corporation Superfund Site
De minimis Settlement

Dear :

In a letter to you dated November 28, 2000, the U. S. Environmental Protection Agency (EPA) notified you that after evaluating the issues raised by the Superfund Recycling Equity Act, EPA had decided not to finalize the de minimis settlement for the RSR Corporation Superfund Site. The EPA's letter also informed you that EPA and the State of Texas would be willing to enter into a settlement under terms identical to those offered in the June 7, 1999, de minimis settlement offer with any party who had accepted the original de minimis settlement offer if EPA received a written request from the party by close of business on January 26, 2001. You are one of seventeen parties who submitted a timely request to settle in response to EPA's November 28 letter.

In order to clearly distinguish this de minimis settlement from the settlement EPA announced that it would not finalize in its November 28, 2000, letter, EPA has created a new Administrative Order on Consent ("AOC") with a new docket number for this matter. A copy of the new AOC, bearing docket number 6-05-01, is enclosed for your benefit (Enclosure 2). Please keep the enclosed copy. It will be your record of the terms of the settlement. We are asking you to submit a new signature page bearing the new docket number. Please review the instructions for completing the new signature page in Enclosure 1. ***Please return your completed signature page to EPA by close of business on April 30, 2001.***

The enclosed AOC is substantially the same as the draft AOC included in EPA's June 7, 1999, letter. A few changes have been made, but the terms of settlement are the same. In response to comments received from a number of parties, the "draft" watermark that appeared on each page of the earlier document has been removed. Several typographical errors have been corrected, and the printer font has been changed from Courier to Times New Roman (which takes fewer pages). Paragraph 37 has been revised to permit EPA to use all of the money it receives as a result of the settlement to help pay for future response actions at the RSR Site. This change

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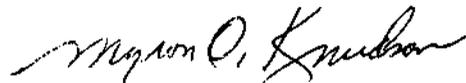


involves only EPA's internal financial management practices and does not change the extent of the protection you receive from the contribution protection provisions and the covenants not to sue by the United States as contained in the original AOC. The format of Paragraph 47 has been revised to eliminate the single subparagraph, but the provision is still the same. In order to save a substantial amount of paper, the information relevant to the Respondents from the contribution ranking lists attached to the draft AOC as Appendices C and D has been consolidated into a single document attached as Appendix A to the new AOC, and the references to the Appendices have been revised to reflect this change. The caption for the case (including the new docket number) has been added to the EPA and State signature pages to make it clear what document EPA and the State signed.

As provided in Paragraphs 58 - 61 of the AOC, the AOC is subject to public comment and approval requirements under both State and Federal law. We will keep you informed as this settlement proceeds through the comment and approval processes. Please note that your payments will not be due to EPA and the State until you receive a letter confirming the effective date of the AOC.

If you have any questions or comments regarding this letter, please contact Ms. Barbara J. Aldridge, Enforcement Officer, by e-mail at aldridge.barbara@epa.gov, or by phone at (214) 665-2712; Mr. Edwin Quinones, Superfund Attorney, by e-mail at quinones.edwin@epa.gov, or by phone at (214) 665-8035; or Mr. Joseph E. Compton III, Superfund Attorney, by e-mail at compton.joseph@epa.gov, or by phone at (214) 665-8506.

Sincerely yours,



Myron O. Knudson, P.E.
Director
Superfund Division

Enclosure

cc: Mr. Robert J. Huston, Chairman
Texas Natural Resource Conservation Commission
Mr. Albert M. Bronson, Assistant Attorney General
Office of the Attorney General, State of Texas

Enclosure 1

Instructions for Signature Page of Administrative Order on Consent (AOC)

A signature on this page indicates a willingness on the part of the party to accept this settlement offer from EPA. **Please do not submit a check at this time for the amount.** The amount will be payable at the time the AOC becomes effective. Your signature at this stage is a first step in that process.

U.S. EPA Docket No. 6-05-01

“AGREED: Respondent”

If the respondent is agreeable to becoming a party to the settlement embodied by the AOC, please print respondent's name (as it appears on the List of Respondents, Appendix A to the AOC) and address.

“Total Amount to be Paid to United States: \$_____.” Fill in the applicable amount as ascertained from the List of Respondents, Appendix A to the AOC.

“Total Amount to be Paid to State of Texas: \$_____.” Fill in the applicable amount as ascertained from the List of Respondents, Appendix A to the AOC.

Signature Block: Representative of respondent, signature, printed name and title.

“Agent Authorized.” Name, title, address, and phone for Agent for Service of Process (registered agent) for the respondent, if applicable.

After all signature pages are received from respondents:

The AOC with completed signature pages will be forwarded from EPA to the Department of Justice for approval. It will then be published in the Federal Register for a 30-day public comment period. When the comment period expires, the AOC will become effective, at which time you will be notified that payment is due.

IN THE MATTER OF:)
)
RSR CORPORATION SUPERFUND SITE)
DALLAS, TEXAS)
)
Proceeding under Section 122(g)(4))
of the Comprehensive Environmental)
Response, Compensation, and)
Liability Act of 1980, as amended)
42 U.S.C. § 9622(g)(4))

U.S. EPA Docket No. 6-05-01

**ADMINISTRATIVE ORDER
ON CONSENT**

AGREED:

Respondent: _____
(Name and Address) _____

Total Amount to be paid to the United States: \$ _____

Total Amount to be paid to the State of Texas: \$ _____

By: _____
Signature Date

Print Name

Title

Agent authorized to accept Service of Process on behalf of the above-signed party:

Name: _____

Title: _____

Address: _____

Telephone: _____

Enclosure 2

IN THE MATTER OF:)	
)	U.S. EPA Docket No. 6-05-01
RSR CORPORATION SUPERFUND SITE)	
DALLAS, TEXAS)	
)	ADMINISTRATIVE ORDER
Proceeding under Section 122(g)(4))	ON CONSENT
of the Comprehensive Environmental)	
Response, Compensation, and)	
Liability Act of 1980, as amended)	
42 U.S.C. § 9622(g)(4))	

I. INTRODUCTION

1. This Administrative Order on Consent ("Consent Order") is entered into voluntarily by the United States Environmental Protection Agency ("EPA"), the State of Texas ("State"), and the parties listed in Appendix A of this Consent Order.

II. JURISDICTION

2. This Consent Order is issued pursuant to the authority vested in the President of the United States by Section 122(g)(4) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), 42 U.S.C. § 9622(g)(4), to reach settlements in actions under Section 106 or 107 of CERCLA, 42 U.S.C. §§ 9606 or 9607. The authority vested in the President has been delegated to the Administrator of the EPA by Executive Order 12580, 52 Fed. Reg. 2923 (Jan. 29, 1987), and further delegated to the Regional Administrators of the EPA by EPA Delegation No. 14-14-E (May 11, 1994). This authority was further delegated to the Director of the Superfund Division by EPA Region 6 Delegation R6-14-14-E (August 4, 1995).

3. In regard to the State of Texas, this Consent Order is issued pursuant to Section 361.200 of the Texas Health and Safety Code and 30 T.A.C. § 335.351(d), which provides for de minimis settlements by the State.

4. This Consent Order is issued to the persons, corporations, or other entities identified in Appendix A ("Respondents"). Each Respondent agrees to undertake all actions required by this Consent Order. Each Respondent further consents to and will not contest EPA's or the State's jurisdiction to issue this Consent Order or to implement or enforce its terms.

5. EPA, the State, and Respondents agree that the actions undertaken by Respondents in accordance with this Consent Order do not constitute an admission of any liability by any Respondent. Respondents do not admit, and retain the right to controvert in any subsequent proceedings other than proceedings to implement or enforce this Consent Order, the validity of the Statement of Facts or Determinations contained in Sections V and VI, respectively, of this Consent Order.

III. STATEMENT OF PURPOSE

6. By entering into this Consent Order, the mutual objectives of the Parties are:

a. to reach a final settlement among the Parties with respect to the RSR Corporation Superfund Site located in Dallas, Texas ("Site") pursuant to Section 122(g) of CERCLA, 42 U.S.C. § 9622(g), that allows Respondents to make a cash payment, including a premium, to resolve their alleged civil liability under Sections 106 and 107 of CERCLA, 42 U.S.C. §§ 9606 and 9607, for injunctive relief with regard to the Site and for

response costs incurred and to be incurred at or in connection with the Site, thereby reducing litigation relating to the Site;

b. to reach final settlement among the Parties with respect to the Site pursuant to Section 361.200 of the Texas Health and Safety Code and 30 T.A.C. § 335.351(d) that allows Respondents to make a cash payment to resolve their alleged civil liability to the State under Section 361.271 of the Texas Health and Safety Code for injunctive relief and for State Response Costs incurred at or in connection with the Site, thereby reducing litigation related to the Site;

c. to simplify any remaining administrative and judicial enforcement activities concerning the Site by eliminating a substantial number of potentially responsible parties from further involvement at the Site; and

d. to obtain settlement with Respondents for their fair share of response costs incurred and to be incurred at or in connection with the Site by the EPA Hazardous Substance Superfund, by the State, and by private parties, to provide for full and complete contribution protection for Respondents with regard to the Site pursuant to Sections 113(f)(2) and 122(g)(5) of CERCLA, 42 U.S.C. §§ 9613(f)(2) and 9622(g)(5), and Sections 361.277 and 361.344 of the Texas Health and Safety Code.

IV. DEFINITIONS

7. Unless otherwise expressly provided herein, terms used in this Consent Order that are defined in CERCLA or in regulations promulgated under CERCLA shall have the meaning assigned to them in the statute or regulations. Whenever the terms listed below are used in this Consent Order, the following definitions shall apply:

- a. "CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq.
- b. "Consent Order" or "Order" shall mean this Administrative Order on Consent and all appendices attached hereto. In the event of conflict between this Order and any appendix, the Order shall control.
- c. "Day" shall mean a calendar day. In computing any period of time under this Consent Decree, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next working day.
- d. "EPA" shall mean the United States Environmental Protection Agency and any successor departments, agencies or instrumentalities.
- e. "EPA Hazardous Substance Superfund" shall mean the Hazardous Substance Superfund established by the Internal Revenue Code, 26 U.S.C. § 9507.
- f. "Interest" shall mean interest at the current rate specified for interest on investments of the EPA Hazardous Substance Superfund established by 26 U.S.C. § 9507, compounded annually on October 1 of each year, in accordance with 42 U.S.C. § 9607(a).
- g. "Paragraph" shall mean a portion of this Consent Order identified by an arabic numeral.
- h. "Parties" shall mean EPA, the State of Texas, and the Respondents.
- i. "Respondents" shall mean those persons, corporations, or other entities listed in Appendix A.
- j. "Response costs" shall mean all costs of "response" as that term is defined by Section 101(25) of CERCLA, 42 U.S.C. § 9601(25).

k. "Section" shall mean a portion of this Consent Order identified by a roman numeral.

l. "Site" shall mean the RSR Corporation Superfund Site, encompassing approximately 13.6 square miles, located in Dallas, Texas, depicted more clearly on the map attached as Appendix B.

m. "State" shall mean the State of Texas.

n. "State Response Costs" shall mean all costs of response as that term is defined by Section 101(25) of CERCLA, including those costs incurred and paid by the State prior to and including October 31, 1997, pursuant to Section 361.200 of the Texas Health and Safety Code.

o. "United States" shall mean the United States of America, including its departments, agencies and instrumentalities.

V. STATEMENT OF FACTS

8. The Site is an approximately 13.6 square mile area located in the city of Dallas, Dallas County, Texas. Lead, arsenic, cadmium and other hazardous substances have been released from or are threatened to be released from a secondary lead smelter and associated facilities located in the approximate center of the Site. The Site is listed on the National Priorities List, 60 Fed. Reg. 50435 (Sept. 29, 1995), which constitutes Appendix B to the National Oil and Hazardous Substances Pollution Contingency Plan ("NCP"), 40 C.F.R. Part 300, which EPA promulgated pursuant to Section 105 of CERCLA, 42, U.S.C. § 9605.

9. Because of the large size of the Site, EPA has divided the Site into five Operable Units ("OUs"). The Site OUs are depicted on the map attached hereto as Appendix B. OU No. 1

consists of privately owned residential properties and residential high risk areas (such as schools, churches and day care centers) and is bounded on the north and east by the Trinity River, on the south by Ft. Worth Avenue and Davis Avenue, and on the west by State Highway Loop 12 (Walton Walker Blvd.) and the Trinity River levee. OU No. 2 is an area owned by the Dallas Housing Authority for public residential housing and is bound by Westmoreland Road to the west, Hampton Road to the east, Canada Drive to the north and Singleton Boulevard to the south. OU No. 3 consists of three distinct properties where smelter waste was disposed, two of which are former City of Dallas landfills and one that is a lead slag and batter chip disposal area. OU No. 4 is the location of the former secondary lead smelter and support facilities located on the southeast side of the intersection of Westmoreland Road and Singleton Blvd. OU No. 5 is located across the street on the southwest side of the intersection of Westmoreland Road and Singleton Blvd. and is the location of former battery breaking and disposal areas associated with the secondary smelting activities.

10. Smelter operations commenced at OU Nos. 4 and 5 of the Site in the early 1930s and permanently ceased in 1984.

11. Releases of hazardous substances, including, but not limited to, lead, cadmium, and arsenic, have occurred and may continue to occur at and from the smelter properties, from smelter and related operations, from air emissions from the smelter stack, from the use by area residents of battery chips and lead slag as fill in residential yards and driveways and from the disposal of smelter wastes at various locations at the Site.

12. As a result of the release or threatened release of hazardous substances, EPA, the State, and other entities have undertaken response actions, as that term is defined in Section

101(25) of CERCLA, 42 U.S.C. § 9601(25) and Section 361.003(32) and (33) of the Texas Health and Safety Code, at or in connection with the Site, and EPA, the State, and/or other entities will undertake response actions at the Site in the future.

13. As a result of a lawsuit brought by the City of Dallas and the Texas Air Control Board against RSR Corporation ("RSR") and a related company, Murph Metals, Inc. ("Murph"), in 1983 RSR and Murph were required by court order to fund a cleanup of the residential community within one-half mile of the smelter. As a result, RSR and Murph entered into a CERCLA Administrative Order on Consent with EPA to perform the cleanup. The cleanup was performed from 1984 through 1985 and required the removal and offsite disposal of soils in residential areas and public play areas and day care centers located within the one-half mile boundary. The cleanup action conducted from 1984 through 1985 was based in part on recommendations made by the Center for Disease Control ("CDC") and was considered a protective and appropriate action at that time.

14. In 1990 the CDC revised its recommendations and lowered its blood lead level of concern. In addition, EPA obtained new information indicating that contamination from the smelter extended beyond the original one-half mile area addressed in the 1984-85 cleanup. Consequently, EPA conducted a removal action in OU No. 1 consisting of the removal and offsite disposal of soils contaminated in excess of removal action cleanup levels at 420 residential and residential high risk areas. The residential areas previously addressed in the early cleanup did not require further removal actions.

15. Concurrent with the removal action at OU No. 1, EPA conducted a remedial investigation and human health and ecological risk assessments to determine the nature and extent

of contamination at the residential locations in OU No. 1. Based on the successful completion of the removal action at OU No. 1, the results of the remedial investigation and risk assessments, and the public's comments, on May 9, 1995, EPA issued a Record of Decision ("ROD") for OU No. 1. The ROD for OU No. 1 set forth EPA's finding that no further CERCLA response action is necessary at residential and residential high risk (day care centers, etc.) locations in OU No. 1 to protect human health and the environment.

16. On August 9, 1993, EPA and the Dallas Housing Authority ("DHA") entered into a CERCLA Administrative Order on Consent ("AOC"). Under the AOC, DHA performed (with the oversight and approval of EPA) a remedial investigation at OU No. 2 and conducted a removal action of contaminated soils and a demolition of approximately 167 buildings located at the southwest portion of OU No. 2. The AOC specified that DHA perform the removal and demolition activities in the same manner and in accordance with the Action Memoranda for EPA's removal action in OU No. 1. Concurrent with DHA's activities, EPA performed human health and ecological risk assessments. Based on the successful completion of the removal and demolition activities at OU No. 2, the results of the remedial investigation and risk assessments for OU No. 2, and the public's comments, on May 9, 1995, EPA issued a ROD for OU No. 2. The ROD for OU No. 2 set forth EPA's finding that no further CERCLA response action is necessary at OU No. 2 to protect human health and the environment.

17. EPA conducted a remedial investigation and feasibility study and a human health and ecological risk assessment for OU No. 3. After taking public comments, EPA issued a ROD for OU No. 3 on September 30, 1997. The major components of the remedy selected for OU No. 3 are the excavation and offsite disposal of slag, battery chips, and contaminated soil from an area

where surface dumping occurred; the containment with a protective cap of portions of the landfills where there is exposed slag, battery chips, and metals contaminated soil; and the removal of surface contamination from a public park. The projected cost of the remedy for OU No. 3 is \$6,350,000.

18. On December 22, 1994, EPA signed an Action Memorandum for the conduct of a non-time critical removal action at OU Nos. 4 and 5. EPA based its decision on an Engineering Evaluation/Cost Analysis Report that was issued for public notice and comment on September 16, 1994. EPA conducted the removal action at OU Nos. 4 and 5 from May 1995 to July 1995. The action consisted of removal of 600 drums of waste material, 90 debris piles and 60 laboratory containers present inside and outside of the structures and buildings at OU Nos. 4 and 5. All materials were disposed of offsite at appropriate and permitted hazardous and non-hazardous disposal facilities.

19. EPA conducted a remedial investigation and feasibility study and a human health and ecological risk assessment for OU No. 4. After taking public comments, EPA issued a ROD for OU No. 4 on February 28, 1996. The major components of the remedy selected for OU No. 4 are the demolition and offsite disposal of the buildings on OU No. 4; the demolition and offsite disposal of the smelter stack; and the excavation and offsite disposal of concrete foundations and contaminated soil. The projected cost of the remedy for OU No. 4 is \$11,490,795.

20. EPA conducted a remedial investigation and feasibility study and a human health and ecological risk assessment for OU No. 5. After taking public comments, EPA issued a ROD for OU No. 5 on April 3, 1997. The major components of the remedy selected for OU No. 5 are decontamination of buildings; the demolition and offsite disposal of the former battery wrecking

building; the containment of the former surface impoundment, former landfill and slag burial are; and no action for groundwater for OU Nos. 4 and 5. The projected cost of the remedy for OU No. 5 is \$9,343,800.

21. EPA has prepared Administrative Records for the final decisions issued for the Site.

22. EPA has documented that as of March 31, 2000, it has incurred Response Costs at or in connection with the Site in the total amount of \$28,931,455.36.

23. EPA and other entities will continue to incur response costs at or in connection with the Site during the implementation of the response actions selected in the RODs for OU Nos. 3, 4, and 5.

24. The State, through the Texas Natural Resource Conservation Commission ("TNRCC"), also has performed response actions at the Site. In 1991, the TNRCC undertook the remediation of three of the heavily contaminated private residential homes located in OU No. 1. At these properties TNRCC fenced the sites, excavated contaminated soils and disposed of the soils at permitted hazardous waste facilities.

25. From 1991 to 1993, the TNRCC conducted a visual survey of properties in OU No. 1 to determine the presence of battery casing chips as an indication of contamination. At the locations where survey crews found pieces of battery casings, soil samples were collected and analyzed for lead, arsenic and cadmium. TNRCC surveyed more than 6,800 sites during the investigation within OU No. 1. This survey was an essential part of EPA's Remedial Investigation and final remedial strategy for the Site.

26. The State has documented that it has incurred and paid State Response Costs at or in connection with the Site in the total amount of \$1,740,452.72 as of October 31, 1997.

27. EPA and the State have identified parties (Potentially Responsible Parties or "PRPs") who by contract, agreement or otherwise arranged for the disposal or treatment at the Site of materials containing hazardous substances that they owned or possessed.

28. EPA has prepared a contribution ranking list for PRPs who arranged for disposal of materials at the Site. EPA used typical operations records that cover a discreet period of time as a basis for the contribution ranking list. The volume of hazardous substances contributed by each Respondent is shown in the chart attached hereto as Appendix A.

29. Information currently known to EPA and the State indicates that the amount of hazardous substances contributed to the Site by each Respondent does not exceed one percent (1%) of the total contribution of hazardous substances to the Site, and that the toxic or other hazardous effects of the substances contributed by each Respondent to the Site do not contribute disproportionately to the cumulative toxic or other hazardous effects of the hazardous substances at the Site.

30. EPA estimates that the total response costs incurred and to be incurred at or in connection with the Site by the EPA Hazardous Substance Superfund, the State, and other parties will be between \$50,000,000 and \$60,000,000. The payment required to be made by each Respondent pursuant to this Consent Order is a minor portion of this total amount.

VI. DETERMINATIONS

31. Based upon the Statement of Facts set forth above and on the administrative record for this Site, EPA has determined that:

- a. The Site is a "facility" as that term is defined in Section 101(9) of CERCLA, 42 U.S.C. § 9601(9), and Section 361.181(c) of the Texas Health and Safety Code.
- b. Each Respondent is a "person" as that term is defined in Section 101(21) of CERCLA, 42 U.S.C. § 9601(21), and Section 361.003(26) of the Texas Health and Safety Code.
- c. Each Respondent is a "potentially responsible party" within the meaning of Section 122(g)(1) of CERCLA, 42 U.S.C. § 9622(g)(1), and Section 361.271 of the Texas Health and Safety Code.
- d. There has been an actual or threatened "release" of a "hazardous substance" from the Site as those terms are defined in Section 101(22) and (14) of CERCLA, 42 U.S.C. § 9601(22) and (14), and Section 361.003(31) and (14) of the Texas Health and Safety Code.
- e. The actual or threatened "release" caused the incurrence of response costs.
- f. Prompt settlement with each Respondent is practicable and in the public interest within the meaning of Section 122(g)(1) of CERCLA, 42 U.S.C. § 9622(g)(1), and 30 T.A.C. § 335.351(d).
- g. As to each Respondent, this Consent Order involves only a minor portion of the response costs at the Site within the meaning of Section 122(g)(1) of CERCLA, 42 U.S.C. § 9622(g)(1), and 30 T.A.C. § 335.351(d).
- h. The amount of hazardous substances contributed to the Site by each

Respondent and the toxic or other hazardous effects of the hazardous substances contributed to the Site by each Respondent are minimal in comparison to other hazardous substances at the Site within the meaning of Section 122(g)(1)(A) of CERCLA, 42 U.S.C. § 9622(g)(1)(A), and Section 361.200 of the Texas Health and Safety Code and 30 T.A.C. § 335.351(d).

VII. ORDER

32. Based upon the administrative record for the Site and the Statement of Facts and Determinations set forth above, and in consideration of the promises and covenants set forth herein, the following is hereby AGREED TO AND ORDERED:

VIII. PAYMENT TO THE UNITED STATES

33. Within 30 days of the effective date of this Consent Order, each Respondent shall pay to the EPA Hazardous Substance Superfund the amount of Response Costs set forth in the chart attached as Appendix A (hereinafter referred to as the "United States Settlement Amount").

34. Each Respondent's payment includes an amount for: a) past response costs incurred at or in connection with the Site; b) projected future response costs to be incurred at or in connection with the Site; and c) a premium to cover the risks and uncertainties associated with this settlement, including but not limited to, the risk that total response costs incurred or to be incurred at or in connection with the Site by the EPA Hazardous Substance Superfund, by the State, or by any private party, will exceed the estimated total response costs upon which Respondents' payments are based.

35. Each Respondent shall pay its United States Settlement Amount by certified or cashier's check made payable to "EPA Hazardous Substance Superfund." Each check shall reference the name and address of the party making payment, the "RSR Corp. Superfund Site,"

the EPA Region and Site Spill ID Number 06-6S and the EPA docket number for this action, 06-05-01, and shall be sent to:

EPA Superfund - RSR Corp. Superfund Site
Superfund Accounting
P.O. Box 360582M
Pittsburgh, Pennsylvania 15251
ATTN: COLLECTION OFFICER FOR SUPERFUND

36. At the time of payment, each Respondent shall send notice that such payment has been made to:

Chief
Superfund Cost Recovery Section (6SF-AC)
U. S. Environmental Protection Agency
Region 6
1445 Ross Avenue
Dallas, Texas 75202-2733

37. The total amount to be paid by each Respondent pursuant to this Section shall be deposited in the RSR Corporation Superfund Site Special Account within the EPA Hazardous Substance Superfund to be retained and used to conduct or finance response actions at or in connection with the Site, or transferred by EPA to the EPA Hazardous Substance Superfund.

IX. PAYMENT TO THE STATE OF TEXAS

38. Within thirty (30) days of the effective date of this Consent Order, each Respondent shall pay to the State of Texas the portion of State Response Costs allocated to it, as set forth on Appendix A incorporated herein by reference (hereinafter referred to as the "State Settlement Amount").

39. The total payments to be paid by each Respondent pursuant to this Section includes an amount for (a) the State's Past Response Costs, (b) projected Future Response Costs, and (c) a premium amount to cover the risks and uncertainties associated with this settlement, including, but not limited to, the risk that the total Future Response Costs incurred at or in connection with the Site by the State may exceed \$1,600,000, the State's estimated share of Future Response Costs.

40. Each Respondent shall pay the State its State Settlement Amount by certified or cashier's check made payable to "State of Texas (AG 98-905661)" and shall be delivered to Chief, Natural Resources Division, Office of the Attorney General, P.O. Box 12548, Austin, Texas 78711.

X. FAILURE TO MAKE PAYMENT

41. If any Respondent fails to make full payment within the time required by Paragraph 33, that Respondent shall pay Interest on the unpaid balance. In addition, if any Respondent fails to make full payment as required by Paragraph 33, the United States may, in addition to any other available remedies or sanctions, bring an action against that Respondent seeking injunctive relief to compel payment and/or seeking civil penalties under Section 122(l) of CERCLA, 42 U.S.C. § 9622(l), for failure to make timely payment.

42. If the State does not receive payment of the State Settlement Amount within thirty (30) days of the due date, the State may bring an action to enforce the Consent Order under Sections 7.002, 7.032, and 7.105 of the Texas Water Code and/or seek penalties under Section 7.102 of the Texas Water Code.

XI. CERTIFICATION OF RESPONDENT

43. By signing this Consent Order, each Respondent certifies, individually, that, to the best of its knowledge and belief, it has:

a. conducted a thorough, comprehensive, good faith search for documents, and has fully and accurately disclosed to EPA, all information currently in its possession, or in the possession of its officers, directors, employees, contractors or agents, which relates in any way to the ownership, operation, or control of the Site, or to the ownership, possession, generation, treatment, transportation, storage or disposal of a hazardous substance, pollutant, or contaminant at or in connection with the Site;

b. not altered, mutilated, discarded, destroyed or otherwise disposed of any records, documents, or other information relating to its potential liability regarding the Site after notification of potential liability or the filing of a suit against it regarding the Site; and

c. fully complied with any and all EPA requests for information regarding the Site pursuant to Sections 104(e) and 122(e) of CERCLA, 42 U.S.C. §§ 9604(e) and 9622(e).

XII. COVENANT NOT TO SUE BY UNITED STATES

44. In consideration of the payments that will be made by Respondents under the terms of this Consent Order, and except as specifically provided in Section XIV (Reservations of Rights by United States and State of Texas), the United States covenants not to sue or take administrative action against any of the Respondents pursuant to Sections 106 or 107 of CERCLA, 42 U.S.C. §§ 9606 or 9607, relating to the Site. With respect to present and future liability, this covenant not to sue shall take effect for each Respondent upon receipt of that Respondent's payment as required by Section VIII (Payment to the United States). With respect

to each Respondent, individually, this covenant not to sue is conditioned upon: a) the satisfactory performance by Respondent of all obligations under this Consent Order; and b) the veracity of the information provided to EPA by Respondent relating to Respondent's involvement with the Site. This covenant not to sue extends only to Respondents and does not extend to any other person.

XIII. COVENANT NOT TO SUE BY STATE OF TEXAS

45. Subject to the reservations of rights in Section XIV (Reservations of Rights by United States and State of Texas) of this Consent Order, upon payment of the State Settlement Amount in this Consent Order, the State covenants not to sue or to take any other civil or administrative action against such Respondent for any and all civil liability for reimbursement of State Response Costs or for injunctive relief pursuant to Texas Health and Safety Code § 361.277 and 30 T.A.C. § 335.351(e) relating to the Site. This covenant not to sue is conditioned upon the satisfactory performance by Respondents of all obligations under this Consent Order and the veracity of the information provided to the State by Respondents relating to Respondents' involvement with the Site. This covenant not to sue extends only to Respondents and does not extend to any other person.

XIV. RESERVATIONS OF RIGHTS BY UNITED STATES AND STATE OF TEXAS

46. The covenant not to sue by the United States set forth in Paragraph 44 does not pertain to any matters other than those expressly specified in Paragraph 44. The covenant not to sue by the State of Texas set forth in Paragraph 45 does not pertain to any matters other than those expressly specified in Paragraph 45. The United States and the State of Texas reserve, and this Consent Order is without prejudice to, all rights against Respondents with respect to all other matters including, but not limited to:

- a. liability for failure to meet a requirement of this Consent Order;
- b. criminal liability;
- c. liability for damages for injury to, destruction of, or loss of natural resources, and for the costs of any natural resource damage assessments; or
- d. liability arising from any future arrangement for disposal or treatment of a hazardous substance, pollutant or contaminant at the Site after the effective date of this Consent Order.

47. Notwithstanding any other provision in this Consent Order, the United States and the State of Texas reserve, and this Consent Order is without prejudice to, the right to institute judicial or administrative proceedings against any individual Respondent seeking to compel that Respondent to perform response actions relating to the Site and/or to reimburse the United States or the State of Texas for additional costs of response, if information is discovered which indicates that such Respondent contributed hazardous substances to the Site in such greater amount or of such greater toxic or other hazardous effects that such Respondent no longer qualifies as a de minimis party at the Site because such Respondent contributed greater than 1% of the hazardous substances at the Site or contributed hazardous substances which are significantly more toxic or are of significantly greater hazardous effect than other hazardous substances at the Site.

XV. COVENANT NOT TO SUE BY RESPONDENTS

48. Respondents covenant not to sue and agree not to assert any claims or causes of action against the United States or its contractors or employees with respect to the Site or this Consent Order including, but not limited to:

a. any direct or indirect claim for reimbursement from the EPA Hazardous Substance Superfund based on Sections 106(b)(2), 107, 111, 112, or 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law;

b. any claims arising out of response activities at the Site; and

c. any claim against the United States pursuant to Sections 107 and 113 of CERCLA, 42 U.S.C. §§ 9607 and 9613, relating to the Site.

49. Nothing in this Consent Order shall be deemed to constitute preauthorization or approval of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. 300.700(d).

50. In consideration of the State's covenant not to sue in Paragraph 45 of this Consent Order, Respondents agree not to assert any claims or causes of action for costs, damages, or attorneys fees against the State of Texas or its contractors or employees with respect to this Consent Order or response activities at the Site.

51. Respondents covenant not to sue and agree not to assert any claims or causes of action against each other with regard to the Site pursuant to Sections 107 and 113 of CERCLA, 42 U.S.C. §§ 9607 and 9613.

XVI. EFFECT OF SETTLEMENT/CONTRIBUTION PROTECTION

52. Nothing in this Consent Order shall be construed to create any rights in, or grant any cause of action to, any person not a Party to this Consent Order. The United States, the State of Texas, and Respondents each reserve any and all rights (including, but not limited to, any right to contribution), defenses, claims, demands, and causes of action which each Party may have with respect to any matter, transaction, or occurrence relating in any way to the Site against any person

not a Party hereto. Provided, however, Respondents expressly waive their rights, if any, to contribution from any person not a party to this Consent Order for costs incurred by Respondents in complying with this Consent Order.

53. In any subsequent administrative or judicial proceeding initiated by the United States or the State for injunctive relief, recovery of response costs, or other relief relating to the Site, Respondents shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim-splitting, or other defenses based upon any contention that the claims raised in the subsequent proceeding were or should have been brought in the instant action; provided, however, that nothing in this Paragraph affects the enforceability of the covenant not to sue included in Paragraph 44.

54. The Parties agree that each Respondent is entitled, as of the effective date of this Consent Order, to protection from contribution actions or claims as provided by Sections 113(f)(2) and 122(g)(5) of CERCLA, 42 U.S.C. §§ 9613(f)(2) and 9622(g)(5), for "matters addressed" in this Consent Order. The "matters addressed" in this Consent Order are all response actions taken by the United States and by private parties, and all response costs incurred and to be incurred by the United States and by private parties, at or in connection with the Site.

55. The Parties agree that each Respondent is entitled, as of the effective date of this Consent Order, to protection from contribution actions or claims as provided in Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2) and Section 361.277(h) of the Texas Health and Safety Code for "matters addressed" in this Consent Order. The "matters addressed" in this Consent

Order are all actions taken by the State of Texas and other entities and all response costs incurred and to be incurred by the State of Texas and private parties at or in connection with the Site.

XVII. PARTIES BOUND

56. This Consent Order shall apply to and be binding upon EPA and the State of Texas and upon Respondents and their heirs, successors and assigns. Any change in ownership or corporate or other legal status of a Respondent, including but not limited to, any transfer of assets or real or personal property, shall in no way alter such Respondent's responsibilities under this Consent Order. Each signatory to this Consent Order certifies that he or she is authorized to enter into the terms and conditions of this Consent Order and to execute and bind legally the party represented by him or her.

XVIII. INTEGRATION/APPENDICES

57. This Consent Order and its appendices constitute the final, complete and exclusive agreement and understanding among the Parties with respect to the settlement embodied in this Consent Order. The Parties acknowledge that there are no representations, agreements or understandings relating to the settlement other than those expressly contained in this Consent Order. The following appendices are attached to and incorporated into this Consent Order:

"Appendix A" is a table that includes the List of Respondents, the volume of hazardous substances contributed by each Respondent, the amount to be paid to the United States and the amount to be paid to the State of Texas.

"Appendix B" is the Site Map.

XIX. PUBLIC COMMENT - UNITED STATES

58. This Consent Order shall be subject to a public comment period of not less than thirty (30) days pursuant to Section 122(i) of CERCLA, 42 U.S.C. § 9622(i). In accordance with Section 122(i)(3) of CERCLA, 42 U.S.C. § 9622(i)(3), EPA may withdraw or withhold its consent to this Consent Order if comments received disclose facts or considerations which indicate that this Consent Order is inappropriate, improper or inadequate.

XX. PUBLIC COMMENT - STATE OF TEXAS

59. This Consent Order shall be subject to a public comment period of not less than thirty (30) days pursuant to Section 7.110 of the Texas Water Code. In accordance with Section 7.110(c) of the Texas Water Code, the Attorney General of the State of Texas may withdraw or withhold consent to this Consent Order if comments received disclose facts or considerations that indicate that the consent is inappropriate, improper, inadequate, or inconsistent with the requirements of Chapter 7 of the Water Code or statutes, rules, permits, or orders within the jurisdiction of the Texas Natural Resource Conservation Commission.

XXI. STATE APPROVAL

60. The State may withdraw its consent to this Consent Order if a majority of its Commissioners do not approve this Consent Order when presented at agenda by the Executive Director of the Texas Natural Resource Conservation Commission.

XXII. ATTORNEY GENERAL APPROVAL

61. The Attorney General or his designee has approved the settlement embodied in this Consent Order in accordance with Section 122(g)(4) of CERCLA, 42 U.S.C. § 9622(g)(4).

XXIII. EFFECTIVE DATE

62. The effective date of this Consent Order shall be the date upon which EPA issues written notice to Respondents that the public comment period pursuant to Paragraph 58 has closed and that comments received, if any, do not require modification of or EPA withdrawal from this Consent Order, and that this Consent Order has been approved by the State.

IT IS SO AGREED AND ORDERED:

IN THE MATTER OF:)
)
RSR CORPORATION SUPERFUND SITE)
DALLAS, TEXAS)
)
Proceeding under Section 122(g)(4))
of the Comprehensive Environmental)
Response, Compensation, and)
Liability Act of 1980, as amended)
42 U.S.C. § 9622(g)(4))

U.S. EPA Docket No. 6-05-01

ADMINISTRATIVE ORDER
ON CONSENT

FOR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY:

Myron O. Knudson, P.E.
Director
Superfund Division
U.S. Environmental Protection Agency
Region 6

Date

IN THE MATTER OF:)
)
RSR CORPORATION SUPERFUND SITE)
DALLAS, TEXAS)
)
Proceeding under Section 122(g)(4))
of the Comprehensive Environmental)
Response, Compensation, and)
Liability Act of 1980, as amended)
42 U.S.C. § 9622(g)(4))

U.S. EPA Docket No. 6-05-01

ADMINISTRATIVE ORDER
ON CONSENT

FOR THE STATE OF TEXAS:

JOHN CORNYN
Attorney General of Texas

ANDY TAYLOR
First Assistant Attorney General

KAREN W. KORNEILL
Assistant Attorney General
Chief, Natural Resources Division

ALBERT M. BRONSON
Assistant Attorney General
State Bar No. 03057500

Natural Resources Division
P.O. Box 12548, Capitol Station
Austin, Texas 78711-2548
Tel: (512) 463-2012
Fax: (512) 320-0911

ATTORNEYS FOR THE STATE OF TEXAS

Appendix A

APPENDIX A

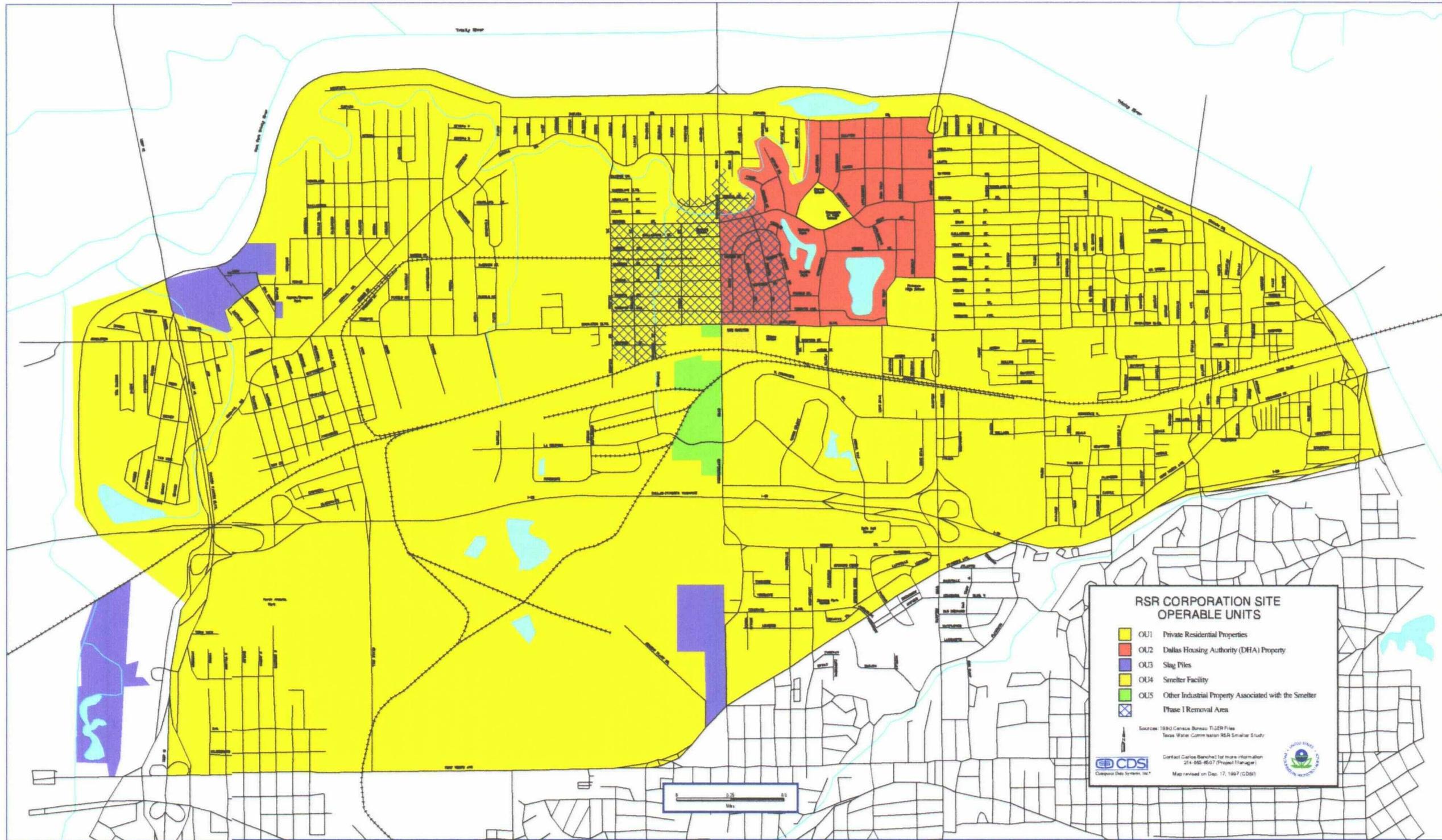
RSR Corporation Superfund Site
List of Respondents
Administrative Order on Consent
EPA Docket Number 6-05-01

	Settling Party Name Contact Name Address	Volume of Hazardous Substances Contributed (in pounds)	United States Settlement Amount	State of Texas Settlement Amount
1	Andersen's Sales and Salvage, Inc. Robert A. Bassett, Attorney Dorsey & Whitney LLP Republic Plaza Building, Suite 4400 370 Seventeenth Street Denver, CO 80202-5644	97,980	4,478.17	579.00
2	Battery Associates, Incorporated Kyra M. Rainey, Attorney 2000 Courthouse Plaza NE P.O. Box 8801 Dayton, Ohio 45401-8801	205,058	10,000.02	1,211.00
3	Ben Shemper and Sons, Incorporated J. B. Van Slyke, Attorney P.O. Box 466 Hattiesburg, MS 39403	37,100	1,809.25	219.00
4	Dallas Power and Light Company TXU Claims and Legal Administration Michael A. Hunter 1601 Bryan Street Dallas, TX 75201-3411	88,230	4,302.69	521.00
5	Gardner Iron & Metal Company, Inc. Sherry H. Johnson, Vice President 1201 E. Fourth Street Austin, TX 78702	44,720	2,180.85	264.00

6	Livingston Pecan & Metal, Inc. Bobby Livingston, President 219 Commerce Street Lake Village, AR 71653	99,460	4,850.34	587.00
7	Mansbach Metal Company Gerald Mansbach, President P.O. Box 1179 Ashland, KY 41105	44,024	2,146.91	260.00
8	Michelson Steel and Supply C/O Richard R. Beresford, Counsel 145 Third Ave South Suite 200 Edmonds, WA 98020	27,742	1,352.89	164.00
9	Minemet, Incorporated Betty England Dalbey Assistant General Counsel 100 Mansell Court East, Suite 300 Roswell, GA 30076	32,352	1,577.70	191.00
10	Morris Tick Company, Inc. McDermott, Will & Emery Todd R. Weiner 227 West Monroe Street Chicago, IL 60606-5096	215,178	10,493.54	1,270.00
11	Raleigh Junk Company Paul M. Friedberg, Counsel Suite 700 - One Valley Square Charleston, WV 25326-1746	44,400	2,165.24	262.00
12	Remington Arms EI DuPont de Nemours and Company James B. Allen, Corporate Counsel 140 Cypress Station Drive Suite 140 Houston, TX 77090	64,745	3,157.40	382.00
13	Sabel Industries, Incorporated C/O Sabel Steel Service Phillip F. Brown, Vice President/CFO 749 North Court Street P.O. Box 4747 Montgomery, AL 36103-4747	42,510	2,073.08	251.00

14	Southern Scrap and Metal Company, Inc. William E. Ready, Counsel P.O. Box 927 Meridian, MS 39302-0927	45,920	2,239.37	271.00
15	Sturgis Iron & Metal Co., Inc. John R. Dresser Dresser, Dresser, Gilbert & Haas, P.C. 112 South Monroe Street Sturgis, MI 49091	42,480	2,071.61	251.00
16	Twin City Iron and Metal Company, Inc. Paul M. Friedberg, Counsel Suite 700 - One Valley Square P.O. Box 1746 Charleston, WV 25326-1746	40,160	1,958.47	237.00
17	United Auto Disposal/United Metal Recyclers Bill Perry P. O. Box 504 Kernersville, NC 27285	44,100	2,150.61	260.00
TOTAL of settlement amounts		121,619	5,908.14	7180

Appendix B



**RSR CORPORATION SITE
OPERABLE UNITS**

- OU1 Private Residential Properties
- OU2 Dallas Housing Authority (DHA) Property
- OU3 Slag Piles
- OU4 Smelter Facility
- OU5 Other Industrial Property Associated with the Smelter
- Phase I Removal Area

Sources: 1990 Census Bureau TIGER Files
Texas Water Commission RSR Smelter Study

Contact: Carlos Blanchard for more information
214-955-8507 (Project Manager)
Map revised on Dec. 17, 1997 (CDBK)

CDSI
Computer Data Systems, Inc.